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**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Application of SAN DIEGO GAS & ELECTRIC COMPANY (U 902-E) for Approval of its 2022 Electric Procurement Revenue Requirement Forecasts and GHG-Related Forecasts	Application 21-04-010 (Filed April 15, 2021) (Amended May 10, 2021)

JOINT PROTEST OF SAN DIEGO COMMUNITY POWER AND CLEAN ENERGY ALLIANCE TO THE APPLICATION OF SAN DIEGO GAS & ELECTRIC COMPANY

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May 21, 2021

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TABLE OF CONTENTS

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In accordance with Rule 2.6 of the Rules of Practice and Procedure of the California Public Utilities Commission ("Commission") and the May 21, 2021 email from Administrative Law Judge Douglas M. Long, San Diego Community Power ("SDCP")[1] and Clean Energy Alliance ("CEA")[2] (jointly, the "CCA Parties") hereby submit this protest to San Diego Gas & Electric Company's ("SDG&E") *Application for Approval of its 2022 Electric Procurement Revenue Requirement Forecasts and GHG-Related Forecasts* submitted on April 15, 2021 ("Application") and amended on May 10, 2021 ("Amended Application").[3]

Overall, SDG&E requests Commission approval of a total 2022 forecasted Energy Resources Recovery Account ("ERRA") revenue requirement of $693.090 million, which forecast is comprised of the following components:

(1) the ERRA revenue requirement: $495.901 million;

[1] SDCP is the Community Choice Aggregator ("CCA") for the cities of Chula Vista, Encinitas, Imperial Beach, La Mesa, and San Diego.

[2] CEA is the CCA for the cities of Carlsbad, Del Mar, and Solana Beach and is scheduled to launch in May 2021.

[3] Application ("A.") 21-04-010, *Application of San Diego Gas & Electric Company for Approval of Its 2022 Electric Procurement Revenue Requirement Forecast and GHG-Relate Forecasts* (April 15, 2021) ("Application"); A.21-04-010, *Amended Application of San Diego Gas & Electric Company for Approval of Its 2022 Electric Procurement Revenue Requirement Forecast and GHG-Related Forecasts* (April 15, 2021) ("Amended Application").

(2) the Portfolio Allocation Balancing Account ("PABA") revenue requirement: $341.708 million and the projected 2021 PABA year-end balance of $(159.590) million;

(3) the Competition Transition Charge ("CTC") revenue requirement: $11.696 million;

(4) the Local Generation ("LG") revenue requirement: $143.125. million;

(5) the San Onofre Nuclear Generating Station ("SONGS") Unit 1 Offsite Spent Fuel Storage Cost revenue requirement: $1.108 million;

(6) the Tree Mortality Non-Bypassable Charge ("TMNBC") revenue requirement; and

(7) the following GHG allowance revenue return allocations:

(a) $0 for Small Business Volumetric Return.

(b) $(111.160) million for residential California Climate Credit ("CCC").[4]

SDG&E also requests approval for its proposed 2022 (1) GHG Allowance Return rates; (2) vintage Power Charge Indifference Adjustment ("PCIA") rates; and (3) rate components for the Green Tariff Shared Renewables ("GTSR") Program. Lastly, SDG&E requests authorization to allocate 2022 bundled commodity revenues using the System Average Percent Change ("SAPC") methodology.

As explained below, the scope of SDG&E's request requires cautious and careful consideration given its impact on both departed and bundled customers. SDG&E bears the burden of proving, based on a preponderance of the evidence, that the entirety of the relief requested in its Application is just and reasonable, complies with all applicable rules, regulations, resolutions and decisions, including but not limited to Decision ("D.") 18-10-019, D.19-10-001 and D.20-02-047,

[4] Amended Application, pp. 2-3.

and prevents illegal cost shifts between bundled and unbundled ratepayers.[5] In its current form, SDG&E's application does not meet this burden.

I. SDCP AND CEA'S INTEREST

SDCP and CEA are Community Choice Aggregators ("CCAs") that are governed either by a Board of Directors comprised of elected officials who represent the individual cities and counties the CCA serves or by an elected City Council. While CCA Parties' advocacy frequently benefits both bundled and unbundled customers, the CCAs are the sole advocates for their customers and their local energy programs before this Commission.

CCA customers receive generation services from their local CCA and receive transmission, distribution, billing, and other services from SDG&E. As such, CCA customers in SDG&E's service territory must pay the same electric distribution, transmission and non-bypassable rates as SDG&E's bundled customers. However, CCA customers pay CCA-specific generation rates, which vary and are partially influenced by local mandates to increase electric vehicle use, procure and maintain clean electricity portfolios that in many cases exceed state requirements for renewable generation, and achieve other local goals.

CCA and other unbundled customers are also subject to several non-bypassable charges ("NBCs"), including the PCIA, the 2022 level of which will be set in this proceeding. The Commission adopted the PCIA to ensure that when investor-owned utility ("IOU") customers depart from bundled service and receive their electricity from a non-IOU provider, such as a

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5 Cal. Pub. Util. Code §§ 451; 366.2(f)(2), (g); D.12-12-030, p. 42; D.18-01-009, pp. 9-10; D.15-07-044, p. 29 (observing that the Commission has discretion to apply either the preponderance of evidence or clear and convincing standard in a rate-setting proceeding, but noting that the preponderance of evidence is the "default standard to be used unless a more stringent burden is specified by statute or the Courts.").

CCA, "those customers remain responsible for costs previously incurred on their behalf by the IOUs—but only those costs."[6]

CCA Parties are advocates for the customers in the local communities that formed them. These customers are rapidly growing in number and footprint as formerly bundled customers of IOUs transition to the generation services provided by CCAs. For example, SDCP's enrollment schedule over the first two quarters of 2022 will include residential and lighting accounts within Imperial Beach, La Mesa, Encinitas, Chula Vista, and San Diego. Ensuring the accuracy of the PCIA and other charges that CCA customers pay, planning for changes to the PCIA, and protecting customers from the rate shock that can result, is a core directive for all CCAs and essential for any load-serving entity ("LSE"). As a result of these factors, and those discussed above and below, SDCP and CEA have a real, present, tangible and pecuniary interest in this proceeding.

II. GROUNDS FOR PROTEST

SDCP and CEA have identified several issues that directly and substantially impact their interests described above. However, these issues should be considered preliminary matters that the CCA Parties have identified as unjust and unreasonable or out of compliance with Commission rules and precedent, or which require further investigation. SDCP and CEA continue to examine the Amended Application, issue data requests, and expect that supplemental information, most notably including the November Update, will raise a number of new issues. CCA Parties therefore reserve the right to address additional issues in the course of this proceeding as those issues arise through further review, analysis, discovery and investigation of all aspects of the Amended Application.

6 D.18-10-019, p. 3 (October 11, 2018); *see also* R.17-06-026, *Scoping Memo and Ruling of Assigned Commissioner*, p. 2 (September 25, 2017).

A. SDG&E Continues to Use Outdated Sales Forecasts that Misrepresent the Forecasted Commodity Rates for Bundled Customers.

In its 2021 ERRA Forecast Application, SDG&E refused to calculate the 2021 commodity rate forecast using an updated retail sales forecast that was consistent with the 2021 bundled energy requirements forecast used to derive the ERRA revenue requirement. The stale sales forecast employed by SDG&E to calculate bundled commodity rates failed to account for significant CCA load departure in early 2021, resulting in an artificially low bundled customer rate forecast. Despite acknowledging the misaligned data in its 2021 commodity rate forecast, SDG&E claimed that it was required to use the outdated sales forecast because it was the most recent forecast approved by the Commission.[7]

The Commission, however, rejected SDG&E's arguments, explaining that the ERRA revenue requirement "should reflect the most accurate bundled energy requirements forecast [and] . . . that no statute, Commission decision, or other legal authority requires the use of outdated billing determinants in setting rates."[8] Accordingly, the Commission "direct[ed] SDG&E to use the same updated energy requirements forecast used to derive the 2021 ERRA forecast revenue requirement."[9] From the Commission's analysis in the last ERRA forecast proceeding, it is clear that SDG&E should use retail sales based on its most recent bundled energy requirements forecast, regardless of whether that forecast has been previously approved by the Commission, to calculate bundled customer commodity rates.

However, SDG&E once again declines to use the most recent sales forecast to calculate the commodity rate for the 2022 ERRA forecast. Instead, on an uncertain future date, SDG&E

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7 D. 21-01-017, p. 42

8 *Id.*, p. 43.

9 *Id.*

will request Commission approval in a separate proceeding for its 2022 sales forecast.[10] Only after that proceeding is complete and the Commission approves the 2022 sales forecast, will SDG&E implement its most recent sales forecast into its 2022 ERRA rates.

It is unclear on what basis SDG&E believes such a convoluted approach is required and why SDG&E doesn't simply include an updated bundled customer sales forecast for 2022 with its ERRA forecasted application. It may be that SDG&E continues to maintain that it may only use a sales forecast that had been previously approved by the Commission. However, the Commission dispelled such a notion when it simultaneously approved SDG&E's 2021 revenue requirement and directed it to use the 2021 bundled energy requirements forecast to set bundled rates.

There are several important consequences of SDG&E's continued insistence on using an outdated bundled customer sales forecast for the commodity rate in its forecasted ERRA revenue requirement application. First, it is unclear how SDG&E expects the timing of a separate proceeding to align, particularly given that, as of the date of this Protest, SDG&E has yet to even file its standalone 2022 sales forecast application. When SDG&E does ultimately file the standalone application, that proceeding will take months to culminate in a Commission decision. Even after a Commission decision approving the 2022 sales forecast, it will take time for SDG&E to implement that forecast into its rates, meaning it is unclear if such approved forecasts will be ready for SDG&E's 2022 annual advice letter filing to implement rates resulting from the revenue requirements approved in this proceeding.

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[10] Amended Application, p. 5 n. 8.

Further, SDG&E's notice of its present application declares that the proposed revenue requirement will result in an average bill reduction of 16.62%,[11] even though SDG&E acknowledges that the billing determinants included in its application are outdated and will eventually be updated. Given that the new 2022 sales forecast will reflect significant additional CCA load departure, it is almost certain that the bill reduction will be significantly less than SDG&E describes in its notice. In the meantime, customers will use the misleading bundled customer rates provided by SDG&E to decide between generation service providers in 2022. The misleading rates send inaccurate price signals to customers and disadvantage alternative providers to SDG&E's bundled service, including CCAs.

Accordingly, this proceeding should explore whether the more efficient, transparent, and equitable path would be for SDG&E to include its 2022 bundled sales forecast with its electric procurement revenue requirement forecast application, rather than seeking Commission approval in a separate, subsequent proceeding before implementing the most recent sales forecast.

B. SDG&E's ERRA Forecast Application Raises a Host of Other Issues that Will Require Further Exploration in This Proceeding.

In addition to SDG&E's continued resistance to using updated sales forecasts to project its commodity rate, a preliminary review by SDCP and CEA has identified a number of issues specific to the Amended Application.

1. This Proceeding Must Ensure That the PCIA Rate Is Just and Reasonable and Does Not Illegally Shift Costs Between Bundled and Unbundled Customers.

The Commission adopted the PCIA to ensure when customers of IOUs depart from bundled service and receive their electricity from a non-IOU provider, such as a CCA, "those

[11] Notification of San Diego Gas & Electric Company's Request to Decrease Electric Rates No. A.21-04-010, p. 1 (2021), available at https://www.sdge.com/sites/default/files/regulatory/15628%20SDGE_ERRA_RegBI.03.pdf.

customers remain responsible for costs previously incurred on their behalf by the IOUs — but only those costs."[12] SDG&E's PCIA rates for 2022 will be set in this proceeding based on two key components: (1) the Indifference Amount, i.e., the difference between the forecasted cost of SDG&E's generation portfolio in 2022 and the forecasted market value of SDG&E's generation portfolio in 2022; and (2) the 2021 year-end balance in the Portfolio Allocation Balancing Account ("PABA"), which constitutes a rolling true-up between (a) the forecasted costs and revenues used to set the 2021 PCIA last year and (b) the actual costs and revenues SDG&E is realizing this year.[13] The Indifference Amount and the year-end PABA overcollection (or undercollection) are added together to form the PABA revenue requirement underlying PCIA rates. That revenue requirement is then allocated among both bundled and unbundled customers based on their vintage, *i.e.*, the year unbundled customers left SDG&E's service,[14] and their rate class using the allocation factors from SDG&E's most recently approved general rate case ("GRC").[15]

CCA Parties are particularly concerned with SDG&E's PCIA rate, given that this is an unavoidable rate imposed on CCA customers and the only opportunity for CCAs to influence this rate is through Commission proceedings such as this ERRA forecast proceeding. CCA Parties' preliminary review of the Amended Application identified several issues associated with SDG&E's proposed PCIA revenue requirement and rates requiring further evaluation, including, but not limited to, application of the PCIA rate cap, continuation of PCIA rate surcharges, and

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[12] R.17-06-026, Scoping Memo and Ruling of Assigned Commissioner, p. 2 (September 25, 2017) ("PCIA Phase 1 Scoping Ruling").

[13] Because the true-up for 2021 occurs during 2021, this true-up is developed using (1) actual values that are available to date and (2) a forecast of actual values for the remainder of the year.

[14] R.07-05-025, D.11-12-018, p. 9 (December 1, 2011).

[15] D.18-10-019, p. 122 and Ordering Paragraph 4 (October 11, 2018).

potential errors in the resource portfolio costs and value included in the PCIA revenue requirement calculation.

2. CCA Parties Generally Support the SDG&E's ERRA Trigger Proposal Included in its Expedited ERRA Trigger Application.

Cal. Pub. Util. Code Section 454(d)(3) mandates that any overcollection or undercollection in the power procurement balancing account shall not exceed 5% of the utility's actual recorded generation revenues for the prior calendar year. To accomplish this statutory mandate, when the recorded monthly ERRA undercollection or overcollection reaches a 4% trigger point, the Commission requires an expedited application requesting an adjustment in rates if the ERRA balance is expected to exceed 5%.[16] However, if the ERRA balance is expected to self-correct within 120 days, SDG&E is permitted to simply file an advice letter informing the Commission of this expected self-correction.[17]

On May 7, 2021, SDG&E filed an expedited ERRA trigger application explaining that the 4% ERRA balance trigger point and 5% trigger threshold had been reached.[18] However, rather than adjust rates, SDG&E requested authority to change the methodology for calculating the ERRA trigger mechanism to combine the ERRA balance with the bundled portion of the PABA balance.[19] If the Commission approves this new methodology, SDG&E expects the combined ERRA/PABA balance to self-correct within 120 days.[20] SDG&E also requests authority to address the projected 2021 year-end ERRA balance in this 2022 ERRA forecast proceeding part of the November Update.[21] Contingent on a thorough review of SDG&E's

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16 D.02-10-062, pp. 64-66.

17 D.07-05-008, Ordering Paragraph OP 2.

18 A.21-06-006, *Expedited Application of San Diego Gas & Electric Company (U 902 E) Under the Energy Resource Recovery Account Trigger Mechanism*, p. 1 (May 7, 2021).

19 *Id.*, p. 2.

20 *Id.*, p. 6.

21 *Id.*, p. 2.

expedited ERRA trigger application, CCA Parties generally support these requests by SDG&E. However, if approved by the Commission, SDG&E's implementation in the November Update in this proceeding will require scrutiny.

3. This Proceeding Should Clarify How SDG&E Will Recover the CAPBA Revenue Requirement.

The Commission has established a price cap limiting year-over-year changes to vintaged PCIA rates to no greater than $0.005 per kWh above the prior year's approved PCIA rates by vintage.[22] SDG&E tracks any under-collection resulting from this cap in the interest-bearing PCIA under-collection balancing account ("CAPBA").[23] If the CAPBA balance reaches 7% of departing load PABA revenue requirement, and the utility also forecasts that the balance will reach 10%, it must, within 60 days, file an application to propose a rate that will bring the projected balance below 7%.[24]

SDG&E's proposed 2022 PCIA rates include a CAPBA surcharge currently being amortized over 36 months related to CAPBA balances from 2020. Because 2021 PCIA rates were capped for certain vintages, SDG&E is currently accumulating an additional CAPBA balance for 2021, and it is likely to reach the CAPBA trigger thresholds this year. SDG&E did not propose a method for disposing of any 2021 CAPBA balance and has yet to file a 2021 CAPBA trigger application.

SDG&E's testimony does include a vague description of approximately $12.958 million of CAPBA-related costs expected to accrue during *2022* pursuant to D.21-02-014. SDG&E

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22 A Proposed Decision in R.17-06-026 would, if adopted by the Commission, remove the cap and trigger for PCIA rate increases effective January 1, 2022. R.17-06-026, Phase 2 Decision on Power Charge Indifference Adjustment and Portfolio Optimization, Proposed Decision of ALJ Wang, p. 7 (April 5, 2021) (Rev. May 20, 2021). This Proposed Decision was adopted by the Commission at its May 21, 2021 meeting.

23 D.18-10-019, p. 86.

24 *Id.*, pp. 86-87.

appears to propose that the limitation on cost recovery related to its 2020 ERRA Trigger approved in D.21-02-014, which acknowledged that 2021 PCIA rates for vintage 2020 customers had already increased up to the 2021 rate cap, will continue into 2022.

Further examination is required to understand how SDG&E intends to recover its CAPBA-related costs.

4. SDG&E's Initial Application Double Counted 2020 ERRA Trigger and CAPBA Trigger Surcharges.

As described earlier, SDG&E's PCIA rates for 2022 will be set in this proceeding based on two key components: (1) the Indifference Amount and (2) the 2021 year-end balance in the PABA balancing account. The Indifference Amount and the year-end PABA overcollection (or undercollection) are added together to form the PABA revenue requirement for 2022.

Pursuant to D.21-02-014 and D.20-12-028, SDG&E transferred to the PABA amounts approved for recovery in the 2020 ERRA Trigger and 2020 CAPBA Trigger applications, and these amounts were included in the forecasted revenue requirement to be collected in 2022. However, SDG&E also included ongoing recovery of the approved ERRA Trigger and CAPBA Trigger amounts as PCIA rate surcharges, thus overstating the proposed PCIA rates for vintages 2020 through 2022. SDCP and CEA inquired about this issue in discovery issued to SDG&E, and subsequently SDG&E filed its amended application on May 10, 2021, including an adjustment to reduce the projected PABA balancing account balance.

Further examination is required to verify SDG&E is correctly reflecting recovery of the approved ERRA Trigger and CAPBA Trigger revenue requirement and that it has appropriately calculated the projected 2021 PABA balancing account for inclusion in 2022 PCIA rates.

5. The GTSR Revenue Requirement Must Accurately Reflect the Cost to Serve GTSR Customers.

The GTSR program, commonly referred to as EcoChoice, allows customers to purchase a greater proportion of their electricity from renewable resources, similar to CCA programs. As such, the GTSR program directly competes with programs offered by CCAs. SDG&E is requesting to recover a $2 million under-collection accrued from GTSR customers in 2018 and 2019. This causes the 2022 renewable power rate ("RPR") (the price paid for procuring power for this program) to increase to $256 per MWh. SDG&E also proposes to decrease the rate for renewable contracts from $60/MWh to $47/MWh. Through this proceeding CCA parties intend to investigate the cause of this under-collection and ensure that SDG&E is recovering all costs attributable to the GTSR program from its GTSR customers.

6. The Impact of SDG&E's GRC Attrition Filing on Its Forecasted ERRA Revenue Requirement Must Be Explored.

During this ERRA forecast proceeding, SDG&E will update its PCIA revenue requirement to reflect costs related to its 2022 attrition filing in its general rate case ("GRC"). Such updates will need to be scrutinized to ensure any adjustments that SDG&E makes based on its 2022 GRC attrition filing are just and reasonable.

7. SDCP Intends to Seek an Allocation of GHG and PPP Revenues to Support Solar Programs for Low Income Communities.

The Disadvantaged Communities Green Tariff ("DAC-GT") and Community Solar Green Tariff ("CS-GT") are among programs created by the Commission to promote the installation of renewable generation among residential customers in disadvantaged communities.[25] These programs provide access to solar power in low-income communities at bill discounts of 20%, funded first through available GHG allowance proceeds, and if such funds

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[25] D.18-06-027.

are exhausted, through public purpose program ("PPP") funds.[26] In its ERRA forecast application, the IOU will set aside funding for such programs developed by CCAs.[27]

SDCP is in the process of developing its DAC-GT and CS-GT programs. After SDCP has finalized these programs, the CCA Parties will seek funding to be set aside by SDG&E in this proceeding. SDG&E is aware that SDCP is in the process of developing these programs and will be seeking a capacity allocation from the Commission. The CCA Parties will work with SDG&E throughout the course of this proceeding to ensure that the funds set aside for SDCP's programs are fair and consistent with previous programs approved by the Commission.

III. CATEGORIZATION OF PROCEEDING, ISSUES TO BE CONSIDERED, NEED FOR HEARINGS, AND PROPOSED PROCEDURAL SCHEDULE

A. Categorization and Schedule.

SDCP and CEA agree with the classification of this proceeding as "ratesetting." For the reasons explained above, CCA Parties believe that hearings are necessary and propose the below procedural schedule, which closely aligns with that proposed by SDG&E in the Application but which allows for more time for intervenors to review and respond to the November Update:

ACTION	DATE
Application Noticed on Commission Calendar	April 20, 2021
Amended Application Filed	May 10, 2021
Protests/Responses Filed	May 21, 2021
Replies to Protests/Responses	May 27, 2021
Prehearing Conference	June 1, 2021

26 *Id.*, Ordering Paragraphs 14 and 15.

27 *See*, *e.g.*, D. 20-12-038, p. 26 (directing PG&E to set aside approximately $2.8 million for the DAC-GT and CS-GT programs of Marin Clean Energy and East Bay Community Energy, pending the disposition of their funding requests to the Commission).

Cal Advocates/Intervenor Testimony	July 16, 2021
Rebuttal Testimony	August 13, 2021
Parties inform the Administrative Law Judge (ALJ) via email whether hearings are necessary and provide ALJ with witness lists and cross-examination estimates	August 20, 2021
Evidentiary Hearings	Week of August 30, 2021
Concurrent Opening Briefs	September 24, 2021
Concurrent Reply Briefs	October 15, 2021
SDG&E November Update	November 5, 2021
Cal Advocates/Intervenor Comments on November Update	November 15, 2021
SDG&E Reply Comments on November Update	November 22, 2021
Commission Final Decision	December 16, 2021

B. Proposed Scope of Issues

SDG&E proposes the below list of issues for consideration in this proceeding:

1. Whether the Commission should approve SDG&E's total 2022 forecast revenue requirement of $693.090 million and the amount of the 2022 Tree Mortality Non-Bypassable Charge forecast revenue requirement, to become effective in rates on January 1, 2022;

2. Whether the Commission should approve SDG&E's 2022 Energy Resource Recovery Account forecast revenue requirement of $495.901 million;

3. Whether the Commission should approve a 2022 Portfolio Allocation Balancing Account forecast revenue requirement of $341.708 million;

4. Whether the Commission should approve a 2022 Competition Transition Charge forecast revenue requirement of $11.696 million;

5. Whether the Commission should approve a 2022 Local Generation forecast revenue requirement of $143.125 million (which excludes the Local Generation Balancing Account 2018 overcollection of $(91.084) million and the Local Generation Balancing Account 2019 overcollection of $(0.888) million;

6. Whether the Commission should approve the 2022 San Onofre Nuclear Generating Station Unit 1 Offsite Spent Fuel Storage Cost forecast revenue requirement of $1.108 million;
7. Whether the Commission should approve SDG&E's 2022 Tree Mortality Non-Bypassable Charge forecast revenue requirement;
8. Whether the Commission should approve SDG&E's 2022 forecasts of GHG revenues, revenue set-asides and returns and administrative expenses, which include:
    a. Forecast GHG allowance revenues;
    b. Forecast set aside for clean energy/energy efficiency programs;
    c. Forecast revenue returns to small business and emissions intensive trade exposed retail customers;
    d. GHG administration, customer education and outreach plan costs; and
    e. Forecast revenue returns to residential customers via the California Climate Credit;
9. Whether the Commission should approve SDG&E's proposed vintage Power Charge Indifference Adjustment in rates;
10. Whether the Commission should approve SDG&E's proposed 2022 rate components for the Green Tariff Shared Renewables Program;
11. Whether the Commission should approve SDG&E's request to return the overcollected 2018 Local Generation Balancing Account recorded activity of $(91.084) million and the overcollected 2019 Local Generation Balancing Account recorded activity of $(0.888) million; and
12. Whether the Commission should approve SDG&E's request to allocate 2022 bundled commodity revenues using the System Average Percent Change ("SAPC") methodology.[28]

With the exception of issue 12, the issues identified by SDG&E are substantially similar to the issues included in the scoping memo for SDG&E's 2021 electric procurement revenue requirement forecast proceeding.[29] CCA Parties believe that these issues, together with the issues identified by CCA Parties above, represent a good starting place for the scope of issues to

[28] Amended Application, pp. 20-21.
[29] A.20-04-014, *Scoping Memo and Ruling of Assigned Commissioner*, pp. 2-4 (July 6, 2020).

be considered in this case. Generally, the preliminary concerns identified by SDCP and CEA above fall under SDG&E's broad issue categories. To the extent that any of the specific issues identified by the CCA Parties do not fall under the categories offered by SDG&E, they should be added to the list for the Scoping Memo to be issued in this proceeding.

In particular, to avoid any doubt, SDG&E issue number 3 should be revised as follows: "Whether the Commission should approve a 2022 Portfolio Allocation Balancing Account forecast revenue requirement of $341.708 million and whether the commission should approve a projected 2021 year-end PABA balance of $(159.590) million, including FF&U." As explained above, the year-end PABA balance is a component of the PCIA rates and of particular importance to the CCA Parties and their customers.

Further, the concerns related to the bundled customer sales forecast are clearly appropriate for this proceeding, as demonstrated by the Commission's decision on this issue in SDGE's last ERRA forecast proceeding and inclusion of the issue in the Scoping Memos for the ERRA forecasting proceedings of Pacific Gas and Electric Company ("PG&E") and Southern California Edison Company ("SCE").[30] In particular, the Scoping Memo for PG&E's recent ERRA proceeding included the issue of "Whether the Commission should adopt PG&E's electric sales forecast."[31] The Scoping Memo for the 2020 SCE ERRA forecast proceeding similarly included the following issue: "SCE's forecast of electric sales and electric load."[32] Accordingly, the Scoping Memo should add the following issue number 13: "Whether the electric sales forecast used by SDG&E is appropriate."

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30 D.21-01-017, pp. 42-43.

31 A.20-07-002, *Assigned Commissioner's Scoping Memo and Ruling*, p. 2 (September 10, 2020).

32 A.20-07-004, *Assigned Commissioner's Scoping Memo and Ruling*, p. 2 (September 10, 2020).

Likewise, the funding set aside for SDCP's DAC-GT and CS-GT programs may be captured under SDG&E's issue number 8(b). However, to avoid ambiguity, the Scoping Memo should add the following issue number 14: "Whether to adopt a GHG and PPP set aside for the DAC-GT and CS-GT programs of SDCP." Such issues have previously been included in the ERRA forecast proceedings of other California IOUs.[33] Moreover, the funding status for these programs is included in the Amended Application of SDG&E,[34] so the set aside for SDCP's programs is clearly relevant to this proceeding. CCA Parties look forward to discussing these issues at the prehearing conference.

C. Request for Reduced Discovery Timelines to Accommodate the Compressed Nature of this Proceeding

In light of the compressed nature of this proceeding, particularly with the November Update, CCA Parties respectfully request a reduction of the discovery timelines for all parties as follows: (a) five business days prior to rebuttal testimony, (b) three business days after rebuttal testimony and (c) two business days after the November Update is filed. CCA Parties understand that there may be times where, given the nature of the data requests, such deadlines may require an extension, but firmly believe that aligning party expectations in advance, with the aim of working towards a timely resolution of the Amended Application, will greatly improve and streamline parties' efforts towards that end.

IV. COMMUNICATIONS AND SERVICE

CCA Parties consent to "email only" service and request that the following individuals be added to the service list for A.21-04-010:

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33 D. 20-12-038, pp. 23-26.

34 Prepared Direct Testimony of Stefan Covic at 25:10 – 26:2.

Party Representative. Please list SDCP and CEA as individual parties to this proceeding with Mr. Jacob Schlesinger as the representative for each party:

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V. CONCLUSION

For the foregoing reasons, CCA Parties respectfully request that the Commission (1) set this matter for hearings to fully examine and resolve the issues identified above, (2) adopt the scope and procedural schedule proposed above, and (3) that it grant independent party status to each SDCP and CEA.

Respectfully submitted,

<u>/s/ Jacob Schlesinger</u>

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